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THE PEACH SITUATION IN THE SOUTHERN STATES

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THE PRESENT SITUATION

Those interested in growing and shipping the recent peach crops of the Southern States agree that prices to growers have been unsatisfactory. The difficulties encountered in marketing recent peach crops of Georgia and competing States have emphasized the necessity of taking stock of this industry. What are the prospects? Is peach production likely to increase or decrease during the next few years? What effect will an increase or a decrease in production have on the net price to growers? In view of the present situation and future trend of the industry, what are the most practicable things for growers to do to stabilize the industry in the shortest possible time? This circular is intended to assist growers and others to answer these questions.

Carload shipments of peaches from Georgia increased from about 6,000 cars in 1920 to about 18,000 cars in 1926. Shipments from North Carolina, South Carolina, and Alabama have increased at a high rate. The total carload shipments for all four States increased from 6,594 cars in 1920 to 20,822 cars in 1926. At the same time, competing States to the west increased production greatly. During the three years 1924-1926, Tennessee, Arkansas, and Texas shipped more than two and one-half times as many carloads of peaches as they had shipped in the previous four years, 1920-1923. Production

in California has increased steadily, and although most of the California peaches are used for canning and drying purposes, some 2,000 to 3,500 carloads of fresh fruit are shipped out of the State annually. Many of these go to the midwestern and eastern markets and compete to some extent with shipments from the Southern States. (Table 1 and fig. 1.)

TABLE 1.—*Carload shipments of peaches, by State of origin, 1920-1926*

State	1920	1921	1922	1923	1924	1925	1926 ¹
	<i>Cars</i>	<i>Cars</i>	<i>Cars</i>	<i>Cars</i>	<i>Cars</i>	<i>Cars</i>	<i>Cars</i>
Alabama.....	149	49	28	1	132	224	375
Arkansas.....	56	607	1,563	724	2,785	2,300	2,413
California ²	7,889	7,676	9,139	10,212	7,264	12,785	17,228
Georgia.....	5,987	10,330	7,370	8,701	13,504	13,513	18,019
North Carolina.....	379	594	1,452	215	1,657	2,037	2,106
South Carolina.....	79	36	73	16	91	239	322
Tennessee.....	154	217	248	53	752	605	1,767
Texas.....	76	1,024	32	102	763	1,070	962
All other States.....	13,410	6,801	18,500	13,501	12,447	8,085	14,582
Total.....	28,179	27,334	38,405	33,525	39,395	40,858	57,774

¹ As reported to December, 1926.

² A large part of the California peach crop is canned or dried. California car-load shipments of fresh peaches moved out of the State were as follows: 1920, 2,130 cars; 1921, 3,259 cars; 1922, 2,291 cars; 1923, 3,702 cars; 1924, 2,449 cars; 1925, 2,935 cars; 1926, 1,620 cars. Figures on car-load shipments out of the State were furnished by H. R. Wellman, extension specialist in agricultural economics, University of California.

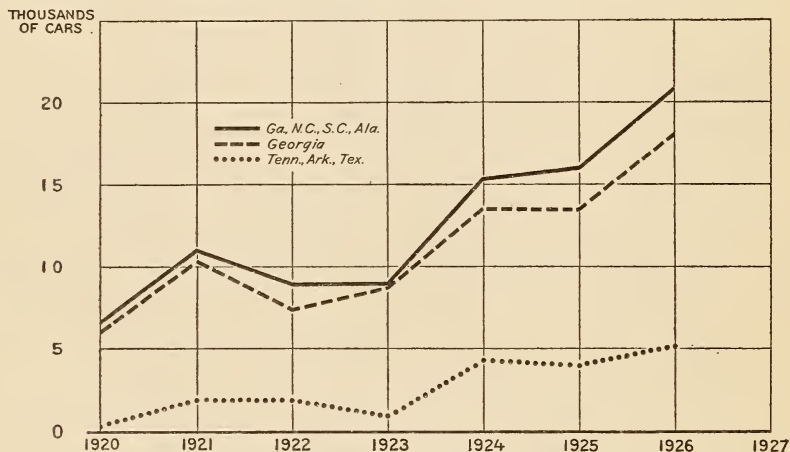


FIG. 1.—CARLOAD SHIPMENTS OF SOUTHERN PEACHES, 1920-1926

Annual carload shipments of peaches from the Southern States have increased greatly since 1923.

In 1926 Georgia alone supplied 44 per cent of the carload peach shipments, exclusive of those from California. The corresponding figure for North Carolina was 5 per cent; for South Carolina and Alabama combined, about 2 per cent; for Tennessee, 4.4 per cent; for Arkansas, 6 per cent; and for Texas, 2.4 per cent. Taken together, these seven States shipped about 64 per cent of the total quantity of fresh peaches marketed in carload lots in 1926, exclusive of those from California.

Georgia is the leading source of early peach supply. The early varieties from the south-central part of this State have practically no

competition on the markets. As the Georgia season progresses, other States begin to ship. The early varieties from the Carolinas and from the later shipping districts of Georgia compete with Elbertas from the earlier shipping districts in Georgia to the disadvantage of the earlier varieties. During a part of the period of heavy movement from Georgia, Elbertas are being shipped from Alabama, Texas, North Carolina, South Carolina, Arkansas, and Tennessee. (Fig. 2.)

Of these States that send peaches to the markets at approximately the same time, Georgia and the Carolinas have an advantage in being

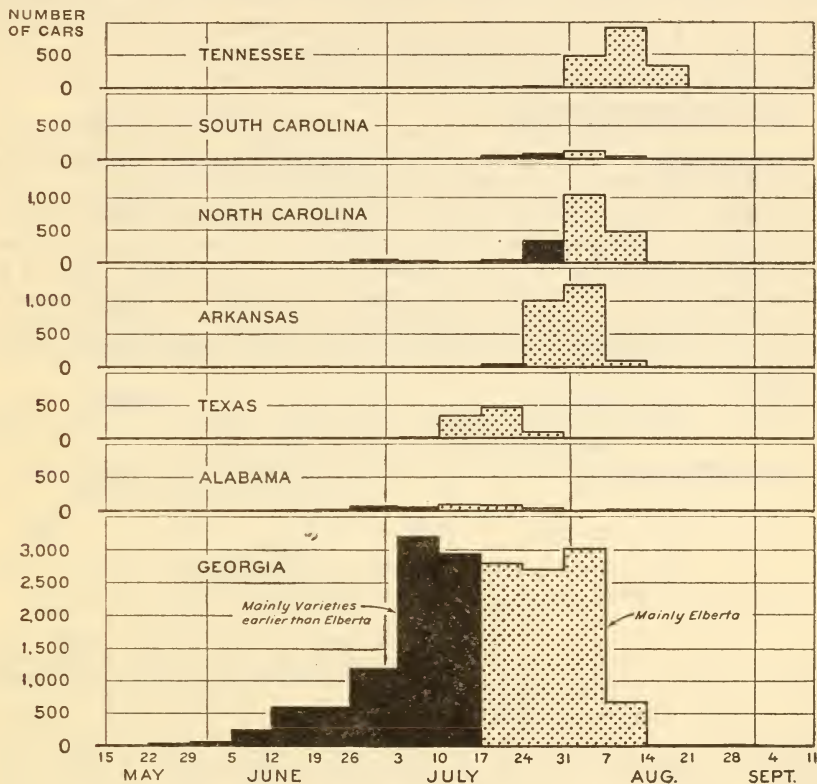


FIG. 2.—WEEKLY CARLOAD SHIPMENTS OF SOUTHERN PEACHES, 1926

Georgia is by far the leading southern peach State. The early varieties from Georgia have little competition from peaches grown in other States. Most of the Elbertas from these seven States come on the markets during the same period.

near the large eastern markets, whereas such States as Arkansas and Texas are more favorably located with respect to certain midwestern cities. Even so, the marketing areas for peaches from the Southern States overlap to such an extent that any marked expansion in production in a particular State or group of States has an effect on the situation in other States. It is not surprising, therefore, that the rapid and extensive increase in production in practically all of the southern commercial peach States has had the effect of forcing prices downward and of making many orchards unprofitable.

The seriousness of the situation brought about by lowered prices in Georgia and North Carolina in 1926 is illustrated by the following:

Prices at shipping point to central Georgia growers in 1926 averaged \$0.83 per bushel basket and to North Carolina growers \$0.60. Corresponding prices were received for peaches marketed in six-basket crates. The average cash expenses actually paid out in growing, harvesting, and delivering a bushel basket of peaches, where the farmer did all the work up to the harvest time and hired labor for the harvesting work, was about \$0.72 in Georgia and \$0.73 in the sand-hill section of North Carolina. On an average those who hired labor for taking care of their orchards prior to harvesting fared worse than these figures indicate. Those who did all orchard work themselves with the help of family labor probably had less indebtedness at the end of the year as a result of the year's operations, but many had little or nothing left for their year's work and for their investment in the orchard and equipment.

Price information similar to that for Georgia and North Carolina is not available for Tennessee, Arkansas, and Texas, but it is estimated from the data that are available that 1926 prices to growers at shipping point probably did not exceed \$0.95 per bushel basket in Tennessee, \$1.20 in Arkansas, and \$0.90 in Texas. Out-of-pocket expenses, when labor was hired for harvesting but not for taking care of the orchard up to harvest time, averaged about \$0.61 in the Kingston district of Tennessee, \$0.65 in the highland district of Arkansas, \$0.51 in the Ozark foothills of Arkansas, and \$0.36 in east-central Texas. (Table 2.)

TABLE 2.—Cash expenses of production and average seasonal return, per bushel basket of peaches, in selected areas, 1926

Item	Cost per bushel basket, by districts ¹						
	Georgia		North Carolina	Tennessee	Arkansas		Texas
	Fort Valley district	North-ern district	Sand-hill district	Kings-ton district	High-land district	Ozark foot-hills district	East-central district
	Dolls.	Dolls.	Dolls.	Dolls.	Dolls.	Dolls.	Dolls.
Picking.....	0.05	0.07	0.09	0.08	0.12	0.08	0.10
Hauling to pack house.....	.03	.03	.02	.02	.04	(²)	(²)
Packing ⁴.....	.18	.15	.15	.16	.12	.09	(²)
Bushel baskets.....	.20	.21	.18	.17	.17	.17	.15
Commercial fertilizer.....	.06	.08	.12	.05	.05	.03	-----
Spray material.....	.05	.05	.04	.06	.03	.04	.01
Paradichlorobenzine.....	.01	.01	.01	.01	-----	-----	-----
Taxes.....	.01	.01	.01	.01	.01	.01	.01
Use of machinery (includes expense of tractor when used).....	.07	.05	.05	.02	.06	.03	.02
Miscellaneous.....	.05	.06	.06	.03	.05	.06	.07
Total.....	.71	.72	.73	.61	.65	.51	.36
Average seasonal return per bushel basket, 1926: ⁵							
Elbertas.....	.91	-----	.63	⁶ .95	⁶ 1.20	-----	⁶ .90
All varieties.....	.83	-----	.60	-----	-----	-----	-----

¹ Actual out-of-pocket expenses incurred in growing a bushel basket of peaches when all work prior to harvest was done by the farmer and members of his family and when all harvesting labor was hired. The difference between this figure and return per bushel basket represents what was left for family expense, interest, reserve for replanting the orchard when the trees must be pulled out, etc.

² Included with picking.

³ Included with picking. Picking and packing were performed as one operation. Usually peaches were delivered orchard-run to buyers.

⁴ Includes hauling to cars.

⁵ Net price, packed and delivered at cars.

⁶ Estimated price.

FUTURE PRODUCTION

Millions of trees have been planted in Georgia and competing States during the last six years. Extensive plantings were made during and following the severe break in cotton prices of 1920-21 and at a time when boll-weevil damages were decidedly disastrous. Many of these trees are still to come into full bearing, and the indications are that an increase in production of significant proportions may be expected during the next few years in all of the southern peach States.

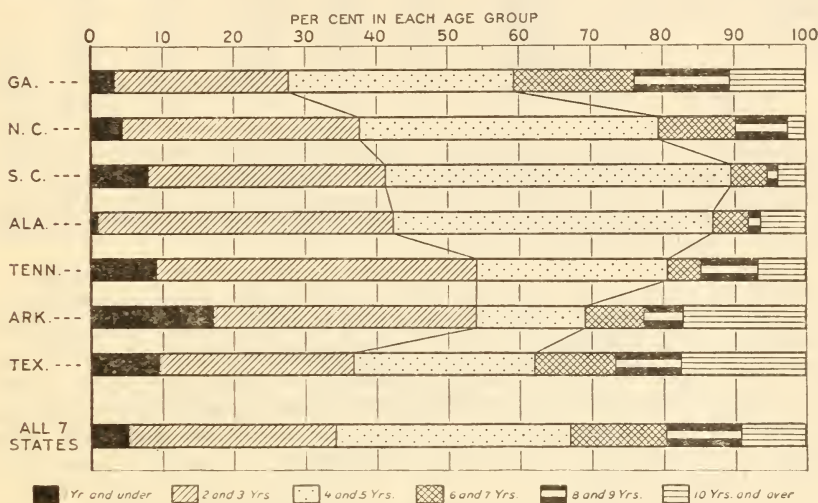


FIG. 3.—PERCENTAGE OF PEACH TREES BY AGES, 1925

A large percentage of the trees in the seven Southern States are relatively young. Trees which were not over 5 years old in 1925 composed 67 per cent of the total.

A survey was made in 1925 of peach trees, classified by age and variety, in all important commercial peach areas of the United States.¹ This survey indicated that in Georgia nearly 60 per cent of the trees were less than 6 years old, whereas in South Carolina 90 per cent of the trees were under that age. In the other Southern States the percentages of the trees less than 6 years old lie between these two extremes. (Fig. 3 and Table 3.)

¹ The States included in the tree survey are Alabama, South Carolina, Georgia, North Carolina, Kentucky, Tennessee, Virginia, West Virginia, Maryland, Delaware, New Jersey, New York, Pennsylvania, Ohio, Michigan, Indiana, Illinois, Missouri, Arkansas, Texas, Oklahoma, Colorado, Utah, Idaho, Washington, and California. At the same time a study was made of the cost of developing a peach orchard and the cost of producing peaches in 22 important districts. An analysis was made of shipments, distribution, competition, and prices of peaches. The work was done by the divisions of farm management and costs, crop and livestock estimates, and fruits and vegetables of the Bureau of Agricultural Economics, in cooperation with the various State agricultural colleges and experiment stations and other agencies. A considerable part of the information collected has already been published.

The survey was made during the fall of 1925 and the winter of 1925-26. It is referred to in this circular as the survey of 1925, although probably a few trees that were planted in the spring of 1926 were included.

TABLE 3.—*Peach trees in commercial orchards studied, classified by age, by States, 1925*

State	Number of trees for which age was reported	Percentage of trees studied					
		1 year old or less	2 and 3 years old	4 and 5 years old	6 and 7 years old	8 and 9 years old	10 years old and over
Georgia.....	7, 977, 330	3.3	24.4	31.4	16.9	13.3	10.7
North Carolina.....	2, 190, 236	4.4	33.2	41.7	10.8	7.3	2.6
South Carolina.....	825, 238	8.0	33.2	48.2	5.1	1.5	4.0
Alabama.....	97, 369	.9	41.4	44.6	5.0	1.7	6.4
Tennessee.....	1, 166, 646	9.2	44.7	26.6	4.7	8.0	6.8
Arkansas ¹	790, 628	17.2	36.7	15.2	8.2	5.5	17.2
Texas.....	242, 295	9.6	27.2	25.2	11.3	9.2	17.5
Other States.....	29, 496, 194	7.8	24.4	17.3	9.7	6.7	34.1
Total reported ²	42, 785, 936	7.0	25.9	22.1	10.8	7.9	26.3

¹ It is reported that rather extensive plantings have been made during the past three or four years in some of the eastern counties of Arkansas, for which no figures were received.

² With the exception of those for California, these figures do not represent the totals for all peach orchards but are merely the totals for orchards that had 100 or more peach trees that were reported in this survey. It is believed that for the individual States the reports are sufficiently complete to indicate the relative numbers of trees of each age and of each variety in commercial orchards. The totals for California include estimates for commercial orchards not reported.

Many of the young trees in these seven States were in bearing at the time of the survey. Many came into bearing in 1926 and assisted in bringing the shipments of that year up to an amount which was 6,000 cars more than the heavy shipments of 1924 and 1925. Some 4,500 cars of the 6,000-car increase were from Georgia alone. Large numbers of the young trees are still to come into bearing, and there will be a tendency for the young bearing trees to produce more fruit as they become older.

It is a fair supposition that the young trees in commercial orchards at the time of the survey of 1925 which are taken care of will come into bearing by 1929. If it were possible for all to be brought into bearing and if all old trees remained in bearing, there would be at that time 155 bearing trees in the seven States for each 100 in bearing in 1925. But many old trees will go out of production by 1929 and some of the young trees will die before reaching maturity. To what extent these changes will occur is problematical, but if all of the trees that were 10 years of age and older in 1925 go out of production by 1929 and if none of the others die or are removed, there will be 138 bearing trees in 1929 for each 100 in bearing in 1925. Even if 20 per cent of the trees that were under 10 years of age in 1925 and all that were 10 years old and older at that time go out of production there will still be 111 bearing trees in 1929 for each 100 bearing in 1925. Under this last set of conditions there would be for each 100 bearing trees in 1925 the following number in each of the seven States in 1929: Georgia, 99; North Carolina, 125; South Carolina, 131; Alabama, 130; Tennessee, 162; Arkansas, 144; and Texas, 104. (Table 4.)

TABLE 4.—Possible number of bearing peach trees in 1929 under certain assumed conditions, specified States

State	Number of bearing trees reported in 1925=100	Estimated number of bearing trees in 1929 for each 100 bearing in 1925 if all trees 10 years old and older in 1925 go out of production and none of the others are removed or die	Estimated number of bearing trees in 1929 for each 100 bearing in 1925 if all trees 10 years old and older and 20 per cent of others in orchards in 1925 go out of production
Georgia.....	100	124	99
North Carolina.....	100	156	125
South Carolina.....	100	163	131
Alabama.....	100	162	130
Tennessee.....	100	202	162
Arkansas.....	100	180	144
Texas.....	100	131	104
Seven States.....	100	138	111

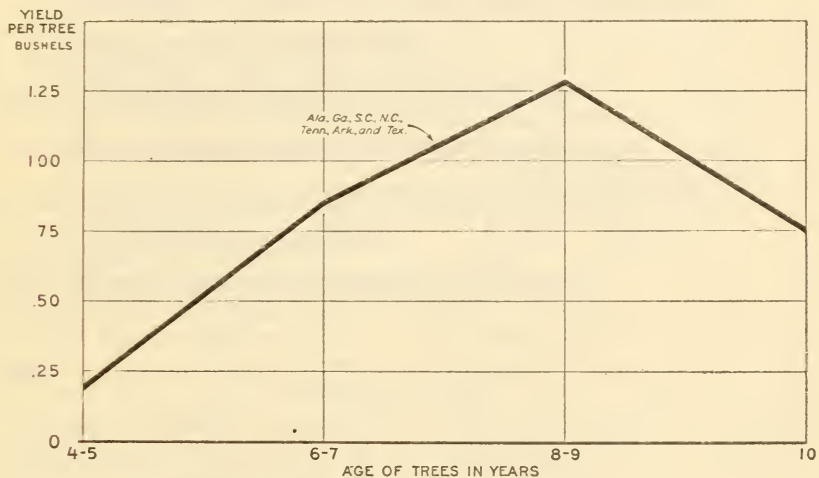


FIG. 4.—AVERAGE YIELD PER PEACH TREE BY AGE

Southern peach trees produced a maximum yield of 1.28 bushels per tree at the ages of 8 and 9 years in 1924. The age group shown by 10 includes trees 10 years old and over.

In the seven Southern States, according to the survey, 67 per cent of the trees were not over 5 years old, and only 9 per cent were 10 years old or older. The survey indicated that in 1924 the 4 and 5 year old trees yielded an average of 0.19 bushel per tree; the 6 and 7 year old trees, 0.85 bushel; the 8 and 9 year old trees, 1.28 bushels; and the trees of 10 years of age and over, 0.75 bushel per tree. (Fig. 4.) Although these figures are for a year when unusually favorable weather conditions resulted in a yield per tree which was considerably above the average, there is a probability that higher-than-average yields per tree may be produced during the next few years because an increased proportion of trees in commercial orchards in the States mentioned will be at maximum bearing age.

The extent to which peach production will increase in the southern peach States depends upon a number of factors which are difficult to measure.

Undoubtedly the low peach prices of 1926 have set in motion influences tending to correct the present situation. Discouraged growers may neglect their orchards and remove many trees of various ages. The extent to which such adjustments are to be made by individual growers must be left largely to the growers themselves. For the good of the industry as a whole every grower should know the volume and kind of production that can reasonably be expected to bring satisfactory prices from year to year and what steps are necessary for maintaining that production. A concerted effort on the part of growers to stabilize the industry along such lines would serve to minimize severe ups and downs in prices and to avoid heavy losses. Such losses have occurred because of a lack of knowledge at the time of planting of what was being done locally and in competing sections and of what the situation was likely to be when the trees were old enough to produce fruit.

DANGER LINE IN PRODUCTION

The first recent serious peach situation in Georgia came in 1924. Early varieties were late in ripening; they came on the markets in large quantities, together with a heavy crop of midseason varieties. The season was short, and peaches from other States came on the same markets in considerable volume, particularly during the latter part of the Georgia season.

In 1923 the shipments of peaches to New York city rarely exceeded 80 carloads per day, whereas in 1924 there was a solid period of three weeks when receipts of peaches on the New York markets were about equal to or exceeded 80 carloads a day. Then, in the middle of July, 140 or more cars of peaches were unloaded during each of six of seven successive market days. The greatest number unloaded in one day was nearly 240 cars—three times as many as were unloaded on any single day in 1923. Much of the fruit sent to the New York market from Georgia, the State producing the largest quantity of fresh peaches, returned low prices. The discouraged Georgia growers allowed many peaches to remain in the orchards. The seasonal average return at shipping point to central Georgia growers on all varieties was \$1 per bushel basket in 1924 as compared with \$1.38 in 1923. The car-load shipments from Georgia were 13,504 in 1924 and 8,701 in 1923.

The 1925 season was nearer normal, and a crop equal to that of 1924 was disposed of at prices good enough to indicate that during favorable seasons a crop of 14,000 or 15,000 carloads in Georgia can be marketed to advantage. The seasonal average return at shipping point to central Georgia growers on all varieties was \$1.54 per bushel basket as compared with \$1 in 1924.

Prices received for peaches are influenced by factors other than the size of the crop and the ripening period. Quality, grade, and size of fruit, varieties grown, competition from other fruits and melons, and degrees of prosperity throughout the distribution area have a decided bearing on peach prices. The average quality of the Georgia crop of 1924, especially of the early varieties, was inferior

to that of 1925, and general business conditions in the consuming area during the peach season were better in 1925 than in 1924. Thus, while it is true that low peach prices in Georgia in 1924 were caused in part by adverse weather conditions, the fact should be emphasized that such conditions must be expected from time to time and that during some years when crops as large as that of 1924 are produced, satisfactory prices will be seriously endangered.

The large Georgia crop of 1926 was marketed under unusually favorable conditions as far as quality and size of fruit, length of shipping season, and prosperity in the consuming area were concerned. Not only were the quality and size of the fruit good, but cantaloupes which came on the markets at the same time were of very poor quality. But car-lot shipments from Georgia (18,019 cars) were nearly a third larger than in 1924 and 1925, and consequently

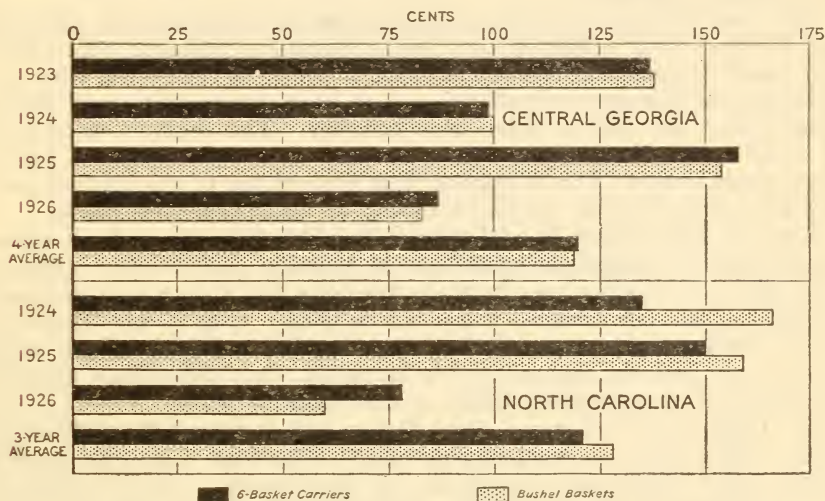


FIG. 5.—RETURNS TO GROWERS FOR FRESH PEACHES PACKED AND DELIVERED AT SHIPPING POINTS

There has been considerable variation in average seasonal returns to growers in recent years. Central Georgia peach prices averaged \$1.20 per crate and \$1.19 per bushel basket from 1923 to 1926, inclusive, whereas the average price for North Carolina peaches from 1924 to 1926, inclusive, was \$1.21 and \$1.28 for crates and bushel baskets respectively.

prices were low. The average return at shipping point to central Georgia growers on all varieties was \$0.83 per bushel basket, as compared with \$1.54 in 1925, and was correspondingly low for those shipped in six-basket carriers. (Fig. 5.)

To sum up, the 1924 Georgia crop was produced under unfavorable weather conditions; quality and size of the peaches were below normal; and the 13,500 carload shipments brought unsatisfactory prices. The 1925 crop of 13,500 cars, produced under favorable weather conditions and marketed during a prosperous time in the consuming areas, brought favorable prices to the growers. The 1926 crop of 18,000 cars was produced under favorable weather conditions, the quality and size of the fruit were good and general prosperity prevailed throughout the consuming areas, yet prices were the lowest in years. It appears, therefore, that unless marketing conditions for Georgia peaches can be improved there will be danger

of unsatisfactory prices to the grower whenever production of merchantable fruit reaches a point somewhere between the shipments of 1925 and those of 1926.

In North Carolina the situation is somewhat different. The bulk of the North Carolina peach crop comes on the markets at the same time as the north-central Georgia, north Georgia, Tennessee, and Arkansas crops. In 1924 the seasonal return at shipping point to North Carolina growers for all varieties averaged \$1.66 per bushel basket, and in 1925, \$1.59. The prices for these two years were higher than Georgia prices and were undoubtedly profitable to many growers. In 1926 the situation was reversed, and North Carolina peach prices fell far below those of Georgia peaches. The 1926 seasonal return at shipping point for all varieties was but \$0.60 per bushel basket for North Carolina peaches, as compared with \$0.83 for Georgia peaches.

The recent large increase in production in north-central Georgia has undoubtedly affected the North Carolina situation adversely. The peach industry in North Carolina is young as compared with the industry in Georgia. Production has been increasing, and many young trees are still to come into bearing. The carload shipments of 1926 were practically no greater than those of 1925, yet prices were much lower. It is apparent that the volume of the present production in the South carries a threat of unsatisfactory prices.

The peach industry in Alabama and in South Carolina is of minor importance as compared with that in Georgia and North Carolina. But only 13 per cent of the trees in Alabama and 11 per cent in South Carolina were more than 5 years old in 1925. (Fig. 3 and Table 3.) Since peaches from these States come on the markets at the same time as those from Georgia, it is apparent that difficulties may be encountered in marketing them at satisfactory prices.

In Tennessee, Arkansas, and Texas peach prices in 1926 were higher than prices in Georgia and North Carolina, although considerably lower than those during the previous season. The indications are that growers in these States, especially in Tennessee and Arkansas, must be prepared to market an increasing supply of peaches in the near future. The large number of young trees in these States points to a large increase in production during the next few years, and relatively lower prices unless marketing conditions can be improved to meet the situation.

The danger line in production from the standpoint of satisfactory prices to the growers has in general been reached in the southern peach States and has been exceeded in some of them.

Peach trees which have reached the ages at which they no longer bear well are unlikely to be profitable during the next few years. The individual grower must consider his own problem in the light of the general situation and should not forget that the production from a given number of trees can be materially increased or decreased by methods of management and care. A thousand good trees, well cared for, may produce as much fruit as twice as many neglected trees and will be more profitable.

MARKET OUTLETS

In recent years about 95 per cent of the Georgia peach shipments have been marketed east of the Mississippi River. The Middle Atlantic and New England States have absorbed 50 to 65 per cent of them. About 85 to 90 per cent of the North Carolina carload shipments have gone to the Middle Atlantic and New England States. The Texas crop, although relatively small, tends to curtail the distribution of Georgia peaches west of the Mississippi River. Arkansas and Tennessee peaches also compete with the later shipments from Georgia and with the Carolina crop. This competition prevents the marketing of any large part of the Carolina crop in the Middle West. The bulk of the Arkansas and Texas crops is marketed in the Mississippi Valley States, whereas the Tennessee crop goes largely to Ohio and Michigan and neighboring States. (Table 5 and figs. 6 and 7.)

TABLE 5.—*Approximate distribution of carload shipments of peaches from certain States, as indicating extent of competition*

[Based on detailed records of from 25 to 93 per cent of the shipments from the various States]

Destination	State of origin						
	1925 crop					1926 crop	
	Georgia	Texas	North Carolina	Arkansas	Tennessee	Georgia	North Carolina
	Cars	Cars	Cars	Cars	Cars	Cars	Cars
Maine.....	12		7			26	6
New Hampshire.....	6		1			15	1
Vermont.....	5		1				1
Massachusetts.....	729		136			1,027	129
Rhode Island.....	141		49			177	59
Connecticut.....	397		82			464	87
New York.....	4,838		760	52	5	5,320	760
New Jersey.....	171		95			339	90
Pennsylvania.....	1,654		378	29	12	2,282	498
Delaware.....	18		5			41	3
Maryland.....	340		100			394	120
District of Columbia.....	116		65			187	61
Virginia.....	86		48			95	92
West Virginia.....	83		10	3	20	175	10
North Carolina.....			54			14	29
South Carolina.....			2			17	
Georgia.....	26		11		2	81	
Florida.....	178		29			381	3
Alabama.....	24		1	3	4	72	
Kentucky.....	147	2	7		27	183	4
Tennessee.....	54			12	23	144	1
Mississippi.....						2	
Ohio.....	1,557		93	147	247	2,250	106
Indiana.....	326	5	16	32	39	577	6
Illinois.....	1,130	230	5	486	66	1,627	
Wisconsin.....	153	20		107	20	205	
Michigan.....	777	4	65	72	133	1,089	35
Minnesota.....	29	43		25	4	26	
Iowa.....	18	177		422		79	
Missouri.....	295	98		401	2	517	
Arkansas.....		2		102			
Louisiana.....	107	7	13	43	1	138	
South Dakota.....		6					
Nebraska.....	30	48		167		24	
Kansas.....	12	83		136		11	
Oklahoma.....	4	24		6			
Texas.....	5	264		43		8	
Wyoming.....		2					
Colorado.....	18	55		12		23	
Cuba.....	11		1				1
Canada.....	16		3			9	4
Total.....	13,513	1,070	2,037	2,300	605	18,019	2,106

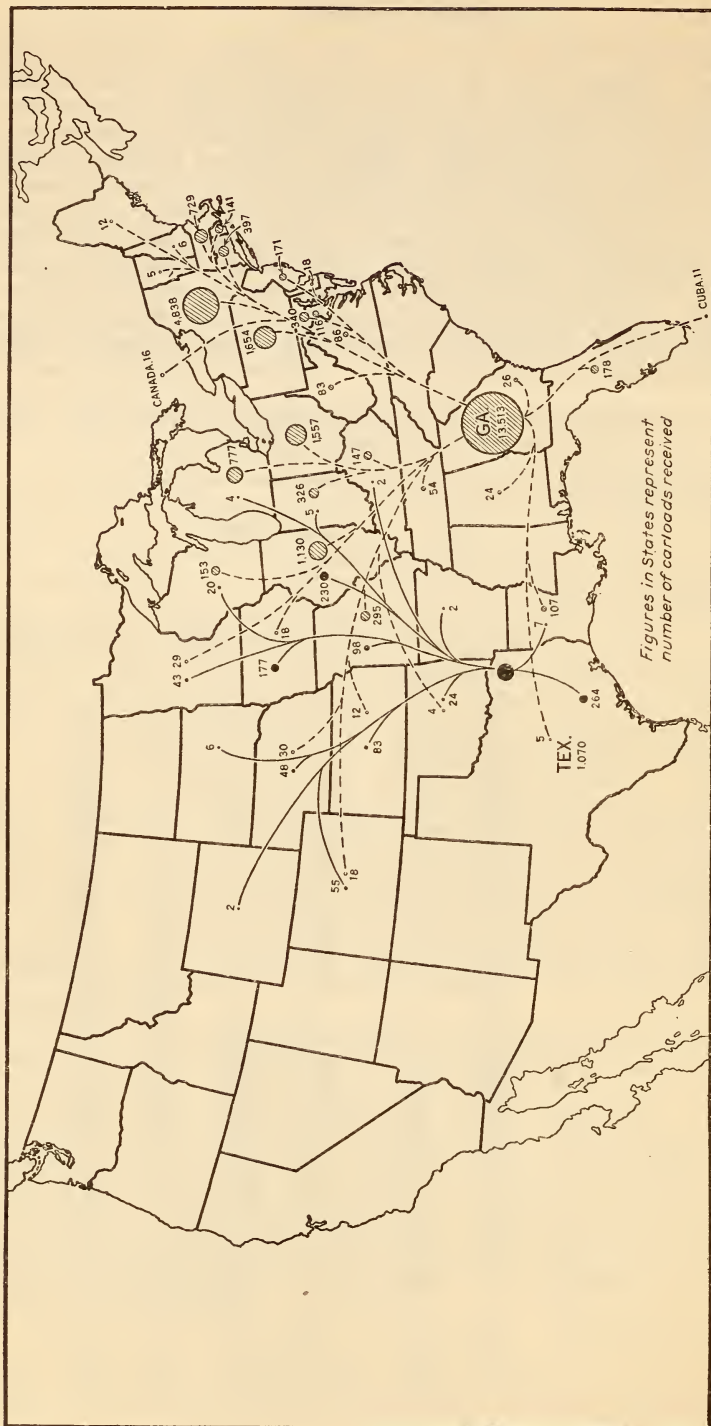
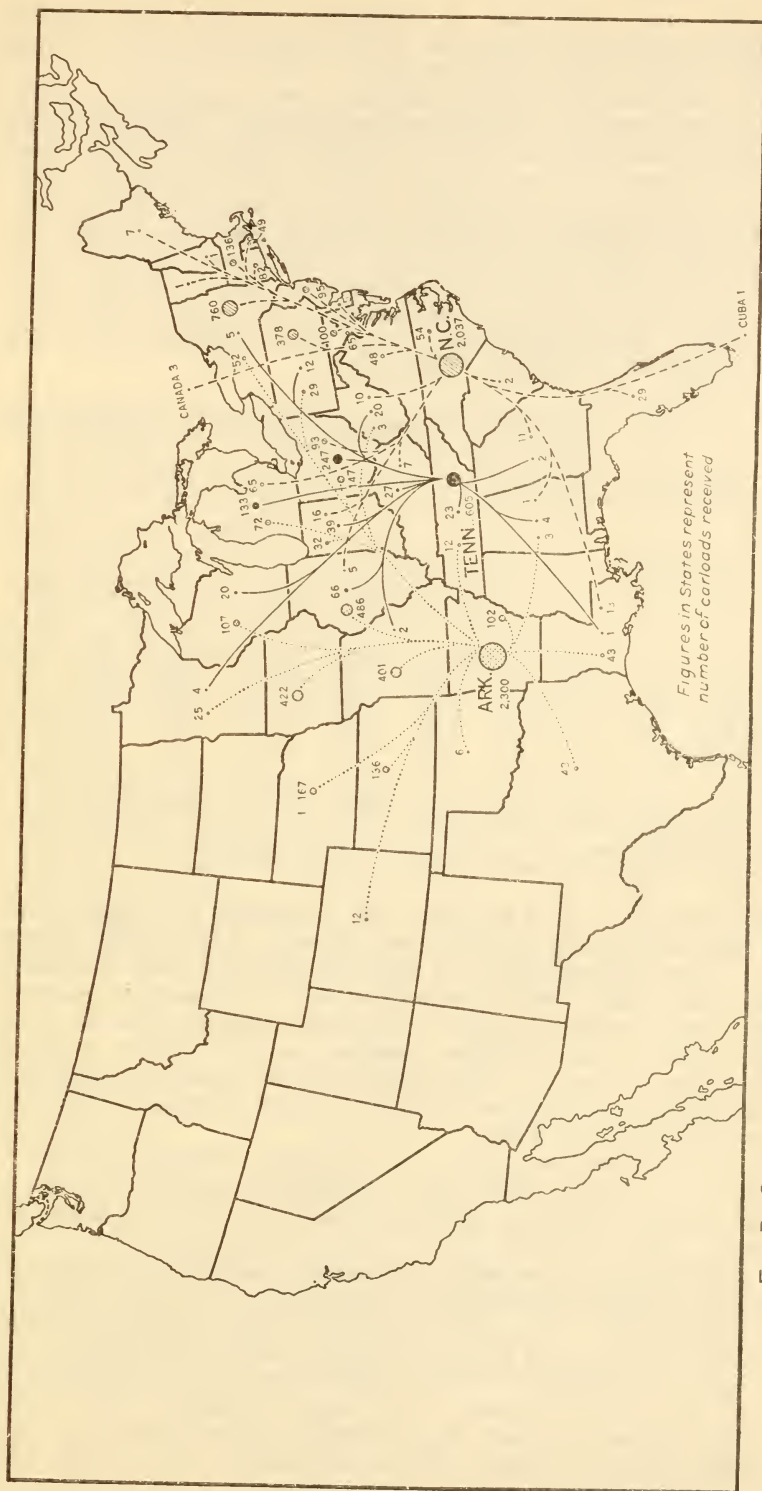


FIG. 6.—CARLOAD SHIPMENTS OF PEACHES FROM GEORGIA AND TEXAS, 1925

A large majority of the Georgia peach shipments are marketed east of the Mississippi River, whereas most of the Texas crop is marketed in Illinois, Iowa, Missouri, Kansas, and Texas and adjoining States. Georgia and Texas ship heavily in July.



The large total production in California and the long ripening season always carry the threat to eastern peach growers of strong competition on the fresh-peach market.

It is doubtful whether Georgia can increase very greatly the distribution of its crop west of the Mississippi River. This is precluded by increasing production in Texas, Arkansas, and other States which have an advantage in transportation charges and also by the possibility of larger fresh-peach shipments from the heavy California crop. The freight and refrigeration charge on peaches from Fort Valley, Ga., to Kansas City is \$1.72 per 100 pounds, as compared with \$1.20 from Mount Pleasant, Tex., \$1.04 from Highland, Ark., and \$2.06 from Fresno, Calif. The charge per 100 pounds to Chicago from Aberdeen, N. C., is \$1.67, as compared with \$1.25 from Highland, Ark., and \$1.18 from Sale Creek, Tenn. (Table 6.)

TABLE 6.—*Freight and refrigeration charges per 100 pounds on fresh peaches shipped to six important markets*¹

[Figures furnished by the Interstate Commerce Commission, December, 1926]

Shipping point	Destination					
	New York	Philadelphia	Boston	Chicago	Kansas City	Detroit
	<i>Dollars</i>	<i>Dollars</i>	<i>Dollars</i>	<i>Dollars</i>	<i>Dollars</i>	<i>Dollars</i>
Highland, Ark.....	2.08	2.08	2.16	1.25	1.04	1.65
Fresno, Calif. ²	2.13	2.13	2.15	2.08	2.06	2.12
Fort Valley, Ga. ³	1.63	1.63	1.78	1.38	1.72	1.42
Aberdeen, N. C. ³	1.45	1.45	1.60	1.67	2.19	1.67
Sale Creek, Tenn.....	1.53	1.53	1.98	1.18	1.57	1.20
Mount Pleasant, Tex.....	2.58	2.58	2.69	1.40	1.20	1.80

¹ Rates are on carloads of 20,000 pounds minimum weight, except where otherwise specified. Since freight rates are frequently changed, the figures presented can have no standing in adjusting claims against the carriers.

² Rates to all points apply via certain specified routes and are on minimum carloads of 26,000 pounds.

³ Rates are on a minimum carload equivalent to 476 crates or 387 bushel baskets.

Peach growers in the Carolinas find it difficult to increase their distribution area in the Middle West because of increasing production and lower transportation charges for peaches from Tennessee, Arkansas, and other States located closer to midwestern markets. Tennessee and Arkansas peaches have not competed to any considerable extent with Carolina peaches on the eastern markets. Transportation charges per 100 pounds to New York from Aberdeen, N. C., are \$1.45, as compared with \$2.08 from Highland, Ark., and \$1.53 from Sale Creek, Tenn.

Experiments have been made in exporting southern peaches to England, but it is not likely that a sufficient quantity will be exported in the near future to affect materially the domestic marketing situation.

The possibility of increasing the market outlet for peaches by placing more carload shipments in the smaller cities has been frequently considered. An analysis has been made of the distribution of the 1926 Georgia crop in so far as the records will permit. But records are not available of final destinations of cars which may have been diverted from some of the larger markets to the smaller cities. All States to which any Georgia carload shipments were made, including such States as Texas and others west of the Mis-

Mississippi River, were included in the Georgia distribution area in the analysis. Many good-sized cities are very close to large markets and do not receive car lots. These facts should be kept in mind in studying Table 7, which shows the number of cities of various sizes in the distribution area and the number reported as receiving carloads of Georgia peaches.

TABLE 7.—Analysis of carload distribution of Georgia peaches, 1926

Item	Unit	Cities or towns having population of—				Total
		Less than 8,000	8,000 to 24,999	25,000 to 100,000	More than 100,000	
New England States:						
Cities or towns in region.....	Number.....		115	36	12	
Cities or towns reporting Georgia peaches received.....	do ¹	2	6	10	9	
Quantity received.....	Car.....	14	32	141	1,390	1,577
Percentage of Georgia carload receipts for region.....	Per cent.....	0.89	2.03	8.94	² 88.14	100.0
Middle Atlantic States:						
Cities or towns in region.....	Number.....		158	49	21	
Cities or towns reported as receiving cars of Georgia peaches.....	do ¹	20	33	28	18	
Quantity received.....	Car.....	40	151	609	7,090	7,890
Percentage of Georgia carload receipts for region.....	Per cent.....	0.51	1.91	7.72	² 89.86	100.0
Middle West and Western States: ³						
Cities or towns in region.....	Number.....		209	86	22	
Cities or towns reported as receiving cars of Georgia peaches.....	do ¹	47	62	62	22	
Quantity received.....	Car.....	84	227	830	4,946	6,087
Percentage of Georgia carload receipts for region.....	Per cent.....	1.38	3.73	13.64	² 81.25	100.0
Southern States: ⁴						
Cities or towns in region.....	Number.....		95	39	13	
Cities or towns reported as receiving cars of Georgia peaches.....	do ¹	17	13	15	11	
Quantity received.....	Car.....	58	67	261	659	1,045
Percentage of Georgia carload receipts for region.....	Per cent.....	5.55	6.41	24.98	² 63.06	100.0
All regions in distribution area:						
Cities or towns in region.....	Number.....		577	210	68	
Cities or towns reported as receiving cars of Georgia peaches.....	do ¹	86	114	115	60	
Quantity received.....	Car.....	196	477	1,841	14,085	16,599
Percentage of Georgia carload receipts for region.....	Per cent.....	1.18	2.88	11.09	² 84.85	100.0

PERCENTAGE OF GEORGIA 1926 SHIPMENTS UNLOADED IN VARIOUS REGIONS

Region:	Per cent
New England.....	9.50
Middle Atlantic.....	47.51
Middle West and Western.....	36.65
Southern States.....	6.29
Cuba and Canada.....	.05
Total.....	100.00

¹ No doubt a considerable number of cars were diverted to smaller cities from such points as Baltimore and Philadelphia, for which no records are available. The more distant States, to which only a few shipments were made, are included in the distribution area. These facts must be taken into consideration in comparing the number of cities receiving carload shipments with those not receiving carloads.

² Percentages for cities of over 100,000 are probably slightly high and those for smaller cities slightly low, as complete unload figures for the largest cities were included in the distribution data in this table, which covers about 92 per cent of the Georgia shipments.

³ The term is here used to include West Virginia, Ohio, Indiana, Illinois, Wisconsin, Michigan, Minnesota, Iowa, Missouri, Nebraska, Kansas, and Colorado.

⁴ Includes Virginia, North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi, Louisiana, Texas, Kentucky, and Tennessee.

The analysis indicates that almost 85 per cent of the Georgia carload shipments went to cities of more than 100,000 population, whereas less than 5 per cent went to cities and towns of less than

25,000. Nearly all of the cities of over 100,000 population received carloads of Georgia peaches, but many of the smaller cities did not receive carloads. Georgia peaches in car lots were reported as reaching 375 cities and towns in the United States in 1926, which is a considerably larger number than was reported for either 1924 or 1925.

The 1926 records indicate that many of the smaller cities did not receive car lots of Georgia peaches, but it is probable that shipments from the larger markets by motor truck or in less-than-carload lots made Georgia peaches available in practically all small cities in the Middle West and in the East and in most of the villages and rural districts.

A canvass of a number of the smaller and medium sized markets in eastern Pennsylvania indicated that Georgia peaches, including Hiley and later varieties, were received in 1926 in car lots or otherwise and that they were sent out to the small towns and rural districts. Many dealers in this section believed it would be possible to handle a few more peaches in future seasons than they handled in 1926, provided the quality and pack were good and the price reasonable. The low prices and good quality in 1926 undoubtedly stimulated consumption and created a favorable attitude on the part of many city dealers who purchased at low prices. This may tend to stimulate the future demand for good peaches at fair prices.

Carload shipments direct to the smaller cities would in most instances reduce the cost per package to the receiver, but in the opinion of many dealers this possible advantage is more than offset by the protection from loss in case of a sharp decline in price now afforded by purchasing fresh peaches in small lots from the nearest large market.

A distribution of the southern peaches to the various markets in accordance with their consuming capacities and an even flow of peaches to these markets throughout the shipping season is desirable. Any arrangement among shippers which would result in a more even distribution to the various markets and prevent oversupplies in certain cities would improve the marketing situation.

Inquiries are often made as to the possibility of canning the southern peaches which can not be marketed profitably as fresh fruit. California, which leads in this canning industry, produces peaches of clingstone varieties for canning and offers very strong competition. It has been found rather difficult to obtain a dependable quantity of good southern peaches for canning season after season. When prices are good the growers prefer to sell their peaches as fresh fruit. The shortness of the southern peach season is not conducive to efficient operation of canneries. On the whole it is hardly probable that an extensive canning industry will be developed in the South to make use of the varieties of peaches now grown in that region.

Increasing peach crops in Georgia, the Carolinas, Alabama, Arkansas, Tennessee, and Texas must be marketed in competition with increasing production of competing commodities like cantaloupes, watermelons, and strawberries. The June and July shipments of 11 competing fruits and melons in 1926 amounted to 88,000 cars, as compared with the 23,000 cars of peaches shipped in these two months. The general trend in the June and July peach shipments for 1918-1926 was upward at the rate of about 1,600 cars per year. (Table 8.) The trend in shipments of competing fruits and melons for the same

period was upward at the rate of approximately 5,600 cars per year. These upward movements (1918-1926) were at the rate of 150 per cent increase in carload shipments of peaches and 110 per cent increase in carload shipments of competing fruits and melons for the two-month period, June and July.

It is evident that any expansion in the consumption of peaches must be made against strong competition from other fruits and melons.

TABLE S.—*Carload shipments of fruits and melons competing with peaches in the United States during June and July, 1918-1926*

Commodity	1918	1919	1920	1921	1922	1923	1924	1925	1926
	<i>Cars</i>	<i>Cars</i>	<i>Cars</i>	<i>Cars</i>	<i>Cars</i>	<i>Cars</i>	<i>Cars</i>	<i>Cars</i>	<i>Cars</i>
Apples.....	1,375	1,538	2,183	1,641	3,829	3,869	3,274	3,679	4,867
Cantaloupe, casaba and honeydew melons.....	8,297	14,046	12,170	16,599	20,556	16,237	20,563	20,757	15,744
Cherries.....	630	953	1,480	1,246	2,143	1,893	1,255	1,739	1,753
Grapes.....	354	464	406	462	325	626	1,258	1,258	2,353
Grapefruit.....	190	34	419	170	223	823	783	353	343
Oranges.....	1,853	4,956	5,837	8,638	3,584	9,322	8,951	5,446	8,333
Plums and prunes.....	1,794	1,408	1,833	2,069	1,777	2,052	1,434	2,161	3,363
Pears.....	1,333	1,954	2,700	1,695	1,660	4,081	3,115	3,792	6,797
Strawberries.....	1,544	2,412	3,203	1,758	3,018	4,564	6,954	1,094	4,462
Watermelons.....	15,151	19,997	23,532	30,290	33,294	21,527	32,626	25,405	40,017
Total.....	32,574	47,762	53,763	64,568	70,409	64,994	80,213	68,687	88,032
Peaches ¹	10,357	12,729	9,300	13,549	10,787	13,347	16,472	22,877	23,229

¹ Shipments for June and July only. They include a considerable quantity of California peaches for canning.

Another factor of considerable importance in the distribution of southern peaches is the size of the northern peach crop. Many northern customers who buy peaches for canning prefer to wait until the northern-grown peaches are available. There are indications of increasing production in Northern States, and except in years of light crops in the North, southern peaches must in a way compete with the later maturing northern peaches.

In Michigan, Illinois, New Jersey, Pennsylvania, New York, and Virginia many of the trees are young, and production may increase considerably. Thirty-six per cent of all trees reported in the survey that were less than six years old were reported as being in these States.

EFFECT OF SIZE AND GRADE ON NET RETURN TO GROWERS

Southern peach growers will have to choose between letting many trees go out of production and having increased production in the face of overcrowded markets. Either course is likely to cause heavy losses to many growers, either through the destruction of at least a part of an enterprise the development of which has cost much time and money or through lowered prices. Much immediate good might be accomplished by supplying the markets with only the best of the peach crop while the industry is going through an adjustment period. In fact, the selection of fruit of attractive size and grade will always be an important function of growers who strive for a healthy industry. At present, with increasing production and declining prices, the question is of unusual importance.

Since certain costs, like packing and freight, are as much for poor as for good fruit a much smaller part of the city jobbing price remains for the grower of poor fruit after these charges are deducted. The f. o. b. price differential in favor of large peaches ($2\frac{1}{4}$ to $2\frac{1}{2}$ inches in diameter) over medium peaches (2 to $2\frac{1}{4}$ inches in diameter) is usually of considerable importance. Well-graded stock of good quality brings a premium over inferior fruit. For instance, the price of Georgia Elbertas of best quality averaged approximately \$1.82 per carrier in the New York jobbing market in 1926, as compared with \$1.30 for carriers of poorer fruit. The net price to growers for the good peaches was about \$0.51, or 28 per cent of the jobbing price, whereas for the poor fruit it was \$0.04, or about 3 per cent of the jobbing price. (Fig. 8.) If the peach industry were built on the principle of giving the consumer good fruit at a reasonable price year after year, it would be built on a much stronger foundation than it is at present. Such an undertaking necessitates the concerted action of a large number of growers who keep in close touch with developments in all parts of the country.

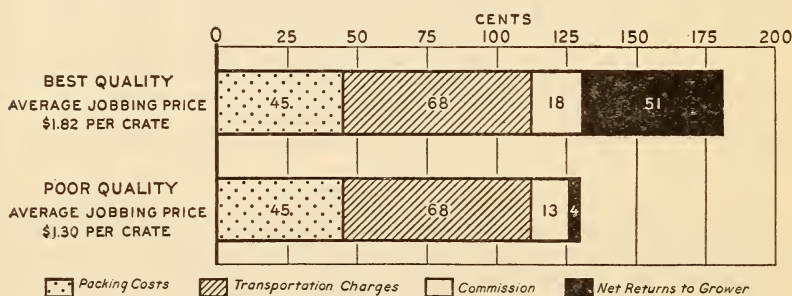


FIG. 8.—NET RETURNS TO GROWERS FOR GEORGIA ELBERTAS CONSIGNED TO NEW YORK CITY, 1926

Transportation and packing charges are as much per package on poor-quality peaches as on good peaches and the amount remaining as net to the grower is therefore much less in the case of poor-quality fruit. It is important for growers to produce and pack high-quality peaches.

ADJUSTMENTS IN PRODUCTION OF VARIETIES

Many varieties of peaches are grown in the Southern States, but few are of real commercial importance. The Elberta is the leading variety as shown by the 1925 survey. Ninety-two per cent of the trees in Arkansas and 82 per cent in Tennessee were of this variety at the time of the survey. In Georgia 48 per cent, in North Carolina 47 per cent, in South Carolina 71 per cent, and in Texas 68 per cent were Elbertas. (Table 9.) The Belle (Belle of Georgia) is next in importance in number of trees in North Carolina, South Carolina, and Alabama. The Hiley ranks second in number of trees in Georgia and Texas, and third in North Carolina, South Carolina, and Alabama. The Carman is of relatively little importance in the Southern States except in Georgia and Alabama, where over 6 per cent of the trees are of this variety. In North Carolina, J. H. Hale trees comprised 8.5 per cent of the total, but there were few trees of this variety in the other States. The early varieties, Uneda, Early Rose, Greensboro, Early Wheeler, Mayflower, Alexander, Slappey, and Mamie Ross combined make approximately 8 per cent of all the

trees in Georgia, 5 per cent in North Carolina, 3 per cent in South Carolina, 13 per cent in Alabama, 1 per cent each in Tennessee and Arkansas, and 9 per cent in Texas. In all States there were some trees of little known and unimportant varieties and seedlings. This group was particularly large in Texas, where it composed 11 per cent of the trees reported.

TABLE 9.—Percentage distribution of peach trees reported in specified States, by variety, 1925 and 1926

Variety	Percentage of total number of trees reported in State						
	Georgia	North Carolina	South Carolina	Alabama	Tennessee	Arkansas	Texas
	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent
Unseeded.....	2.8						
Early Rose.....	4.1	2.1	0.4	0.7	0.1		
Miscellaneous early varieties ¹	1.2	3.1	2.9	12.6	.9	0.8	9.3
Carman.....	6.4	2.6	2.2	6.1	1.1	.4	.7
Hiley.....	24.6	9.2	4.2	16.6	.4	.1	5.5
Belle.....	9.3	24.8	15.3	23.6	4.4	.7	.1
Elberta.....	48.2	46.7	70.9	33.7	81.6	92.4	67.7
J. H. Hale.....	.9	8.5	.7	1.2	2.1	1.6	1.0
All others ²	2.5	3.0	3.4	5.5	39.4	4.0	15.7
Total.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0

¹ Includes all or any of the following varieties: Early Wheeler (*Red Bird*), Greensboro, Mayflower, Arp, Alexander, Slappey, and Mamie Ross.

² Includes trees of little-known and unimportant varieties, seedlings, trees of unknown varieties, and some trees for which varieties were not reported.

³ Includes the Brackett, which represented 6 per cent of all trees surveyed in the State.

⁴ 11 per cent of all the trees reported in Texas were trees of little-known and unimportant varieties, seedlings, trees of unknown varieties, and some trees for which varieties were not reported.

It is the general feeling that many trees of the extra-early varieties and of little-known varieties, seedlings, etc., should be removed. Some of the early varieties bring relatively high prices, and, from the standpoint of price alone, appear to be profitable. It is a fact, however, that some of the extra-early varieties bring good prices only where sold in limited quantities to a select trade and can not be considered as having a very important place in the peach industry. Trees of these varieties produce peaches that, on the whole, do not ship well, do not have good flavor, and may tend to prejudice consumers against the more desirable later varieties. Elimination of many trees of the extra-early varieties now planted in the Southern States would reduce total peach production somewhat. This would not affect the volume of shipments during the peak period but might stimulate the consumption of fruit of the better varieties.

Average seasonal returns to Georgia and North Carolina growers for a period of years show that the Early Rose has averaged highest in price. In 1925, 4 per cent of all trees in Georgia and 2 per cent of those in North Carolina were Early Rose, and it is probable that any large increase in production of this variety will result in lower average prices. The Carman compares favorably in net return to growers with other varieties in Georgia but shows unsatisfactory returns in North Carolina, probably because it competes with later ripening standard varieties from Georgia. The Hiley and Belle have averaged lower in price than the Elberta. (Figs. 9 and 10 and Tables 10 and 11.)

These and other varieties preceding the Elberta in time of ripening are at a disadvantage when grown in north-central Georgia or in other sections where ripening occurs at the same time, because they are

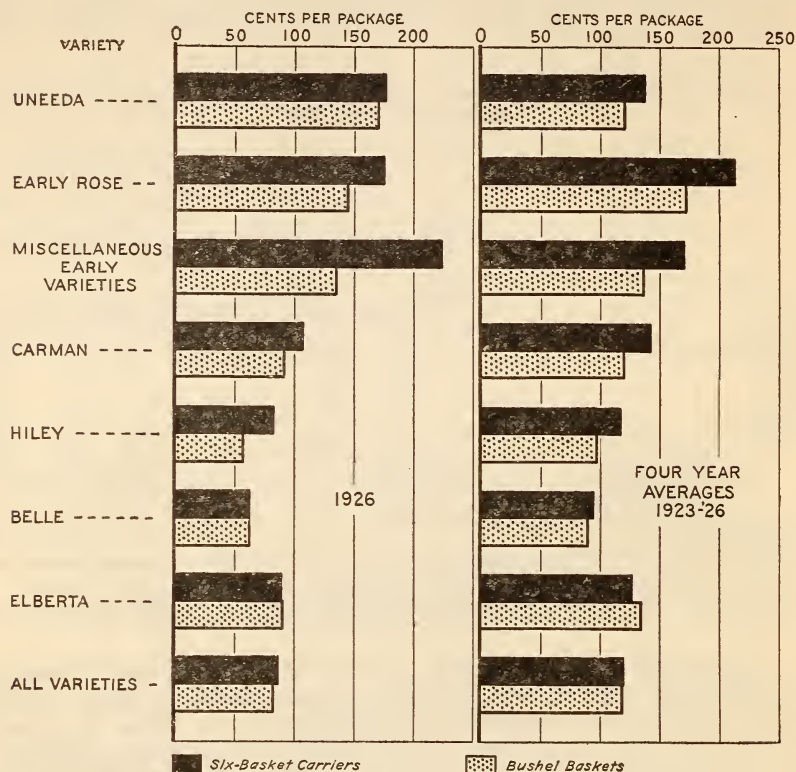


FIG. 9.—RETURNS TO CENTRAL GEORGIA PEACH GROWERS

Prices to Georgia growers for the earlier maturing varieties packed and delivered on cars at shipping point, have been higher than for mid season varieties in recent years. Prices on the Hiley and Belle varieties have averaged lower than Elberta prices. Six-basket carriers and bushel baskets have averaged about the same in price. In this chart the return for Early Rose peaches are three-year averages. The bushel basket return for miscellaneous early varieties is a three-year average.

obliged to compete with Elbertas from south-central Georgia where the ripening season may be a week or more earlier. Even when grown in the same district the ripening period of these varieties, especially that of the Belle, sometimes overlaps the Elberta season.

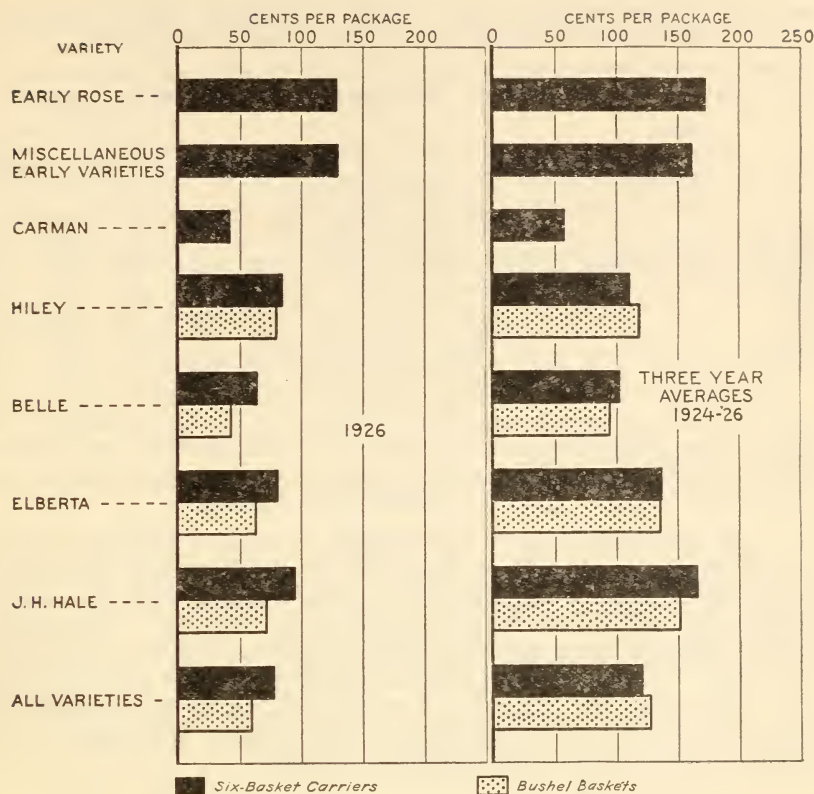


FIG. 10.—RETURNS TO NORTH CAROLINA PEACH GROWERS

In North Carolina prices on Carman, Hiley, and Belle packed and delivered on cars at shipping point have averaged lower than Elberta prices. In 1926 prices were much lower than the three-year average.

TABLE 10.—Average seasonal returns to growers of central Georgia for peaches marketed in carloads, by variety, 1923-1926¹

Variety	Bushel baskets					Six-basket carriers				
	1923	1924	1925	1926	4-year average	1923	1924	1925	1926	4-year average
	Dolls.	Dolls.	Dolls.	Dolls.	Dolls.	Dolls.	Dolls.	Dolls.	Dolls.	Dolls.
Uneda.....	² 0.79	0.86	1.49	1.71	1.21	² 1.13	0.92	1.68	1.77	1.38
Early Rose.....		1.15	2.59	1.46	³ 1.73		1.46	3.16	1.76	³ 2.13
Miscellaneous early varieties.....		1.03	1.72	1.36	³ 1.37		1.28	2.30	2.24	1.71
Carman.....	² .54	1.10	2.25	.92	1.20	² 1.40	1.13	2.12	1.08	1.43
Hiley.....	1.29	.69	1.35	.58	.98	1.48	.92	1.44	.83	1.17
Belle.....	1.27	.47	1.21	.63	.90	1.30	.58	1.28	.63	.95
Elberta.....	1.65	1.15	1.69	.91	1.35	1.53	1.05	1.61	.90	1.27
J. H. Hale.....	2.15	1.42		1.13		1.86	.97	1.44		
All varieties...	1.38	1.00	1.54	.83	1.19	1.37	.99	1.58	.87	1.20

¹ Returns are on a basis of peaches "packed and delivered on cars at shipping point." They include consignments f. o. b. and delivered sales of representative shippers.

² The wide variation in price between bushels and crates of peaches in the same year may be due to the fact that a relatively small quantity of poorer quality fruit of these varieties was marketed in bushel baskets.

³ Average 1924-1926.

TABLE 11.—Average seasonal returns to growers of sand-hill section, North Carolina, for peaches marketed in carloads, by variety, 1924-1926 ¹

Variety	Bushel baskets				Six-basket carriers			
	1924	1925	1926	3-year average	1924	1925	1926	3-year average
	Dolls.	Dolls.	Dolls.	Dolls.	Dolls.	Dolls.	Dolls.	Dolls.
Mayflower.....	.....	.....	2.34	.....	0.63	.....	2.01	.....
Early Rose.....	.....	² 1.21	1.09	.....	1.72	² 2.19	1.29	1.73
Miscellaneous early varieties.....	.....	1.02	.....	.....	2.18	1.39	1.30	1.62
Carman.....	.....	.....	.24	.....	.30	1.01	.42	.58
Slaphey.....	.....	.....	.....	.....	.90	1.05	.....	.....
Hiley.....	1.24	1.52	.80	1.19	1.04	1.43	.85	1.11
Belle.....	1.28	1.15	.43	.95	1.18	1.27	.64	1.03
Elberta.....	1.72	1.74	.63	1.36	1.52	1.77	.81	1.37
J. H. Hale.....	2.00	1.85	.72	1.52	2.05	1.98	.96	1.66
All varieties.....	1.66	1.59	.60	1.28	1.35	1.50	.78	1.21

¹ Returns are on a basis of peaches "packed and delivered on cars at shipping point." They include consignments f. o. b. and delivered sales.

² The wide variation in price of carriers and bushel baskets of this variety in 1925 is probably due to the fact that most of the fruit of better quality was marketed in carriers.

In making adjustments in the number of trees of various varieties in the South it should be kept in mind that the Elberta is the leading commercial variety. In general the earlier ripening varieties can not compete successfully on the markets with the Elberta. The earliest varieties shipped from sections which do not encounter competition from such varieties as the Elberta, Hiley, and Belle have returned good prices, but the quantity of such fruit which the market will absorb is limited, and any considerable increase in production would probably result in very unsatisfactory prices.

SUMMARY

The number of bearing peach trees in southern commercial peach States has increased rapidly during recent years, and the indications are for further increases during the next few years. Owing to the fact that many young trees will probably produce a larger quantity of fruit as they reach maturity, an increase in the production capacity of the peach orchards of the seven southern commercial peach States may be expected during the next few years, and it is probable that the marketing of the peach crop from these States may be a serious problem, especially in years when weather conditions are favorable.

Competition on the markets is likely to be keen. Production capacity is increasing in the South, and in California, which competes with the South to some extent. Extensive plantings have been made in some of the Northern States, and increased production in these districts of later ripening varieties is indicated. A prospective heavy supply of northern peaches in any season may tend to curtail somewhat the demand for southern fruit. There is increasing competition from other fruits and melons.

In Georgia the 1924 crop, 13,500 cars, brought unsatisfactory prices to the growers. The 1925 crop, of about the same size, brought favorable prices. The 1926 crop, 18,000 cars, was disposed of at prices that were ruinous to many producers, notwithstanding the fact that the fruit was of good quality and size, that the ripening period was of normal length, and that there was a high degree of

prosperity in the consuming areas. These factors can scarcely be expected to be as favorable in all future seasons. At present, danger of unsatisfactory prices to Georgia growers is to be expected when shipments reach a point somewhere between those of 1925 and those of 1926.

In North Carolina prices were favorable to growers until 1926, when they were so low that they frequently failed to pay actual cash expenses of production. Conditions in Georgia and North Carolina are probably typical of those in South Carolina and Alabama. In Tennessee, Arkansas, and Texas, prices have declined during the last few years. Growers in these States are feeling the effects of increased competition.

The Elberta is the leading variety in all Southern States. Elberta prices have declined severely on account of heavy production of this and other varieties. In Georgia the Hiley is second in importance, and the Belle and Carman rank next. Other earlier maturing varieties in some States have returned good prices to growers. The earliest varieties are grown in limited quantities, and it is believed by many that their generally poor quality tends to turn consumers against a more extensive use of the later and better varieties.

Of the earlier varieties, the Early Rose has increased rapidly in Georgia and North Carolina and has brought good returns to growers. In the region as a whole the Carman, Belle, and Hiley compete on the markets more or less with each other and with the Elberta. These varieties usually sell at prices below those for Elbertas when on the markets at the same time.

In general, orchards that have not been profitable in the last few years because of the old age of the trees, disease, poor location of site or the inferiority of the varieties of peaches do not appear to have much chance of being more profitable during the next few years. The removal of such orchards would probably be a benefit both to the growers and to the industry as a whole.

Little relief can be expected from increasing the area of distribution for peaches from the Southern States. It is possible that consumption of southern peaches at a remunerative price may be further increased in the present distribution area, but the extent to which this can be brought about is problematical.

A considerable premium is paid for fruit of high grade and good size, and as an immediate step to improve conditions there are possibilities of increasing net profits to growers by improved cultural practices and strict grading. If inferior fruit were graded out and withheld from shipment, the supply on the markets would be decreased and the market would probably reflect more satisfactory returns.

A more even flow of peaches to the market through a better control of distribution would tend to stabilize prices.

Individual orchardists should review their own situation in the light of conditions in their localities and in competing sections. An orchard of good trees of standard varieties, well located with respect to soil and site, should be the aim of the grower. Such an orchard, if well taken care of, will return greater profits than a much larger orchard of poor trees, of inferior varieties, poorly located, or indifferently managed.

ORGANIZATION OF THE UNITED STATES DEPARTMENT OF AGRICULTURE

JUNE 14, 1927

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